streamlining agricultural credit and to ensure its timely and adequate flow to the agriculture sector, Reserve Bank of India (RBI) and National Bank of Agriculture and Rural Development (NABARD) have taken various steps which *inter-alia* include the following:

(i) the Commercial banks have been asked to increase the flow of credit to agriculture by 25% during the year 1996-97 as compared to previous year.

(ii) with a view to strengthening the financial capability of NABARD, its capital has been raised by Rs. 1000 crores during the past two years.

(iii) Regional Rural Banks (RRBs) are being given recapitalisation support.

(iv) Banks have been advised to set up specialised agricultural branches in each State to exlusively deal with high-tech agricultural advances.

(v) Banks have been advised to extend cash credit facilities for meeting composite credit requirements of farmers having a good track record; and

(vi) with a view to improving the access of small farmers to institutional credit, NABARD has advised cooperative banks to earmark funds in favour of small, marginal and economically weak farmers.

Besides the above, other steps taken to improve the flow of credit to agriculture are:—

(i) A proposal for revamping of cooperative credit structure has been initiated.

(ii) The State Governments have been advised to constitute Standing Committee to assess the requirements of agricultural credit for the Rabi and Kharif seasons and to review the performance thereof.

(iii) Steps have also been initiated for reformulation of Multi-State Cooperative Societies Act, with a view to restrengthening the autonomy of the cooperative institutions.

(iv) Action has been initiated to amend the National Cooperative Development Corporation (NCDC) Act 1962 to give the NCDC greater operational freedom and access to resources.

(v) The Cooperative Bank of India has been registered for being set up in order to enable the cooperative credit structure to impart greater internal mobility to its resources and access to external sources of assistance.

(vi) State level Agricultural Development Finance Companies have been set up in the States of Tamil Nadu, Andhra Pradesh and Karnataka with the objective of strengthening the flow of credit for commercial or high technology agriculture, export oriented agriculture and allied activities including infrastructure support systems.

(vii) Guidelines in regard to requirement of collateral security by way of mortgage of Land/charge on land or third party guarantee have been liberalised.

(viii) State Governments have been requested to introduce Agricultural Credit Cards by the banks for farmers to enable them to secure production credit instantly.

Revision of Minimum Support Price of Kharif Crops

142. SHRI SOLIPETA RAMACHANDRA REDDY: Will the PRIME MINISTER be pleased to state:

(a) whether the Minimum Support Price (MSP) of Kharif Crops including paddy, coarse grains, pulses and groundnuts has been raised and revised; and

(b) if so, the details thereof indicating the increase in MSP and how far the

increase represents the increase in the cost of production and other factors taken into account?

THE MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE (SHRI SOMPAL): (a) and (b) A statement showing the minimum support prices (MSPs) of Kharif Crops including paddy, coarse grains, pulses and groundnuts fixed for 1996-97, 1997-98 alongwith increase in 1997-98 over 1996-97 is enclosed. (*see* below).

The minimum support prices fixed by the Government cover not only the cost of production but also provide a reasonable margin of profit as an incentive to the farmers to invest and improve production and productivity. While formulating its recommendations on Price Policy the CACP considers a number of important factors such as cost of production, changes in input prices input/output price parity, trends in market prices, demand and supply situation, inter-crop price parity, effect on industrial cost structure effect on general price level, effect on cost of living, international market price situation and parity between price paid and prices received by farmers (Terms of Trade).

Statement

Procurement/Minimum Support Prices (As on 13.4.98)
(According to Crop Year)

(Rs. per quintal)

Sl.	Commodity	Variety	1996-97	1997-98	Increase in 1997-98 over 1996-97	
					Absolute	Percentage
1		2	3	4	5	6
1.	Paddy	Common	380	415	35	9.2
		Fine	395	—	—	—
		Super Fine	415	—	—	—
		Grade 'A'	—	445*	—	—
2.	Coarse Cereals (Jowar, Bajra & Ragi)		310	360	50	16.1
3.	Maize		320	360	40	12.5
4.	Arhar		840	900	60	7.1
5.	Moong		840	900	60	7.1
6.	Urad		840	900	60	7.1
7.	Cotton	F-414/H-777	1180	1330	150	12.7
		H-4	1380	1530	150	10.9
8.	Groundnut-in-shell		920	990	60	6.5
9.	Sunflower Seed		960	1000	40	4.2
10.	Soyabean	Black	620	670	50	8.1
		Yellow	700	750	50	7.1

1	2	3	4	5	6
11. Tobacco (VFC) (Rs. per kg.)	Black Soil (F2 Grade)	19.00	20.50	1.50	7.9
	Light Soil (L2 Grade)	22.00	23.50	1.50	6.8
12. Sesamum		870	950	80	9.2
13. Nigerseed		720	800	80	11.1

*Paddy will be classified into two categories for the MSP purposes instead of existing three varieties for the ensuing Kharif season of 1997-98.

Implementation of Schemes by NCDC

143. SHRI GOVINDRAO ADIK: Will the PRIME MINISTER be pleased to state:

(a) the details of schemes implemented by National Co-operative Development Corporation (NCDC) and credit approved/released for various agro-processing projects in cooperative sector during 1998-99, State-wise and how does it compare with the projects financed during preceding two years for Maharashtra, in particular;

(b) the number of projects financed by NCDC in Maharashtra during the last three years and funding made year-wise upto March, 1998;

(c) the details of proposals from Maharashtra awaiting clearance and backlog of proposals for 1998-99 and action proposed for their early clearance; and

(d) the details of funds approved for cooperative venture *Anusuchit Jati* in Maharashtra during 1996-97 and proposals pending?

THE MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE (SHRI SOMPAL): (a) The details of schemes being implemented by the National Cooperative Development Corporation (NCDC) for promoting the development of cooperatives are given in statement-I (see below). The position regarding financial assistance released by the NCDC for agro-processing projects during 1998-99 (from 1.4.98 to 15.5.98) and during the preceding two years is given below:

(Rs. in crores)

	1996-97	1997-98	1998-99 (Upto 15.5.98)
All States	70.20	144.50	2.95
Maharasthra	26.12	85.09	1.99
% share of Maharashtra	37.21	58.82	67.46

The figures given above indicate that the share of Maharashtra is substantial and has been rising from year to year.

(b) The details of projects financed by NCDC during the past three years (i.e. 1995-96 to 1997-98) and total funding made, year-wise for Maharashtra State are as under:—

	1995-96	1996-97	1997-98	Total
No. of proposals/units sanctioned	158	173	115 (Prov.)	446
Amount released (Rs. in crores)	90.79	48.95	105.13	244.87